

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

IN RE:

Paul & Patricia A. Kelley

Case Number: SK03-04293
Ch. 11

Debtor(s)/

NOTICE TO CREDITORS AND OTHER PARTIES IN INTEREST

Notice is given that a hearing will be held before the Hon. Jo Ann C. Stevenson at the U.S. Bankruptcy Court, 114 U.S. Courthouse and Federal Building, 410 W. Michigan Avenue, Kalamazoo, Michigan, Michigan at 10:00 a.m. on November 15, 2004 to consider and act upon the following matter:

**DEBTORS' MOTION FOR SALE OF REAL AND PERSONAL PROPERTY
FREE AND CLEAR OF LIENS PURSUANT TO 11 U.S.C. §363
(2238 South Shore Drive)**

If you want the court to consider your views on this matter, attend the hearing on the date stated above.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney. (If you do not have an attorney, you may wish to consult one.)

You or your attorney may wish to file a written response to the motion explaining your position. Any response shall be mailed to the Clerk of the United States Bankruptcy Court, Post Office Box 3310, Grand Rapids, Michigan 49501, and should be received by the Clerk at least 3 (three) days before the above hearing date.

If you or your attorney do not take these steps, the court may decide to grant the relief sought in the motion and may enter an order granting relief requested.

NOTICE IS HEREBY GIVEN that the court may, in its discretion, orally continue or adjourn the above hearing on the record in open court. If this occurs, parties in interest will not be given further written notice of the continued or adjourned hearing. If an entity is not present at the originally scheduled hearing, information regarding the time, date and place of an orally continued or adjourned hearing may be obtained at the Clerk's office from the court files or docket.

A copy of this notice and motion returned via facsimile by the court (kmt) on October 25, 2004 to the Steven L. Rayman, Esq. for service upon the matrix. Court to serve Buyer's List.



Daniel M. LaVille, Clerk of the Court

Kathleen M. Trapp

Kathleen M. Trapp, Deputy Clerk

October 25, 2004

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN

FILED
04 OCT 19 AM 9:38
CLERK
COURT
WEST BENTLEY MICH.

IN THE MATTER OF:

PAUL J. & PATRICIA A. KELLEY,

Debtors.

Case No.: SK 03-04293
Chapter 11
Filed: April 2, 2003
Honorable Jo Ann C. Stevenson

//

**MOTION FOR SALE OF REAL AND PERSONAL PROPERTY FREE
AND CLEAR OF LIENS PURSUANT TO 11 U.S.C. §363
(2238 South Shore Drive)**

NOW COMES Paul J. & Patricia A. Kelley ("Debtors"), by and through their attorneys, Rayman & Stone, and for their Motion for Sale of Real and Personal Property Free and Clear of Liens Pursuant to 11 U.S.C. §363 (2238 South Shore Drive) ("Motion"), says as follows:

1. That this Motion pertains to the above captioned Chapter 11 proceeding which was filed on April 2, 2003.
2. That the Debtors are the owners their principal residence located in Allegan County, commonly known as 2238 South Shore Drive, Macatawa, Michigan ("Property").
3. That your Debtors have received an offer from one Larry Fuller and Christine Skandis ("Purchaser") to purchase the Property, as delineated below.
4. That the Purchaser has offered to purchase the Property for the sum of Nine Hundred Five Thousand and No/100 Dollars (\$905,000.00). A copy of the Purchase Agreement, including addendum, is attached as Exhibit "A", and fully incorporated by this reference, including all terms and conditions appearing therein.
5. That although your Debtors believe that the Purchaser's offer is for the best price available, bidding on the Property should take place in open court starting at Nine Hundred Ten

Thousand and No/100 Dollars (\$910,000.00) with subsequent bids in increments of not less than Five Thousand and NO/100 Dollars (\$5,000.00).

6. That the sale shall be on a cash basis, with any successful bidder being required to deposit with the Debtors the sum of Five Thousand and NO/100 Dollars (\$5,000.00) two (2) days prior to the date scheduled for the sale. No contingent bids shall be received. The total balance of the bid price shall be paid at closing. All bids shall be in conformance with the Purchase Agreement.

7. That the Property shall be sold "As is, Where is", except as noted in the Purchase Agreement, without representation or warranty, expressed or implied, of any kind or nature, or description, including, without limitation, any warranty of marketability, usability or fitness for any purpose. The Debtors shall not be required to inspect, test or report on the condition of the Property, the operability of any system(s) on the Property or the existence of any defects, including, environmental on or contained in the Property, except as provided for in the Purchase Agreement.

8. That all property taxes that are a lien against the Property shall be paid out of the sale proceeds as an expense of sale. Any tax which becomes a lien on the Property after the date of the sale shall be paid by the successful purchaser. The 2004 real estate taxes shall be pro rated to the date of the sale. The sale shall be consummated by the delivery to the successful purchaser of a Trustee's Deed, without warranty, except as noted in the Purchase Agreement.

9. That the Property shall be sold free and clear of all liens, encumbrances and or claims therein, with said liens, encumbrances and or claims attaching to the sale proceeds, in the same order, rank, validity and priority as now exists on said Property. Any and all liens, claims, and encumbrances shall be discharged when a copy of a subsequent order confirming sale entered by this

Court is recorded along with the deed at the register of deeds office.

10. That, upon information, there are no liens on the Property except for current real estate taxes and Pinnacle Bank which is owed approximately Three Hundred Seventy Five Thousand and No/100 Dollars (\$375,000.00).

11. That all net proceeds from the sale shall be utilized pursuant to the Debtors' Plan except to the extent that a secured creditor(s) claims a valid lien, in which case, said proceeds shall be turned over to the secured creditor(s) with the same rank, validity and priority as existed as of the date of the Petition.

12. That this offer is subject to a commission to one Summit Properties, pursuant to a certain Listing Agreement by and between the Debtors and Summit Properties.

13. That certain of the contingencies are attached to the Purchase Agreement.

14. That the Debtors believe that the sale of the Property, pursuant to the terms herein, is in the best interest of the estate and its creditors.

15. That the Purchaser holds no relationship to the Debtors, the Debtors or any other creditor or party in interest in this estate except that it is presently the lessee of the Property. Further, the Debtors believe that the sale is for a satisfactory price and that the sale is for the best price obtainable.

WHEREFORE, your Debtors pray:

1. That this Court enter an Order authorizing the sale of the Property upon the terms and conditions set forth herein to the Purchaser for the sum of Nine Hundred Five Thousand and No/100 Dollars (\$905,000.00) or to any other purchaser for any additional sums as are bid in open court.

2. That the Debtors be authorized to execute a Deed or other conveyance

documents in conformance with the terms herein.

3. That the Debtors be authorized to pay the costs of closing, including real and personal property taxes and secured creditors, without further Court order.

4. That this Court Order such other relief that it finds just and equitable.

RAYMAN & STONE
Special Counsel for Debtors

October 14, 2004

By: Steven L. Rayman

Steven L. Rayman (P30882)

BUSINESS ADDRESS:
141 E. Michigan Ave, Suite 301
Kalamazoo, MI 49007
Telephone: (269) 345-5156

WEST MICHIGAN REGIONAL PURCHASE AGREEMENT

Any reference to "days" in this Agreement refers to calendar days and any reference to "time" refers to local time.

DATE: 8-21-04 4:30 PM (time) MLS # 2323485
 SELLING OFFICE: SUMMIT PROPERTIES REALTOR® PHONE: 616-393-9000 FAX: 616-394-5837
 LISTING OFFICE: 2 1 REALTOR® PHONE: 2 FAX: 7

1. **Agency Disclosure:** The Undersigned Buyer and Seller each acknowledge that they have read and signed the Disclosure Regarding Real Estate Agency Relationships. The selling licensee is acting as (check one):
☒ Agent/Subagent of the Seller ☐ Buyer's Agent ☐ Dual Agent (with written, informed consent of both Buyer and Seller) ☐ Other _____
2. **Seller's Disclosure Statement:** (This paragraph applies to sales of one-to-four family residential units.)

☒ Buyer has received Seller's Disclosure Statement dated 6-20-03, subject to Seller's certification in Paragraph 28
☐ Buyer has not received Seller's Disclosure Statement, and Buyer's obligations under this Contract are subject to Buyer's receipt of Seller's Disclosure Statement and acceptance of Seller's Disclosure Statement within 72 hours after receipt in the case of personal delivery or 120 hours in the case of delivery by

mail. Exceptions: _____

3. **Lead-Based Paint Addendum:** Transactions involving homes built prior to 1978 require an addendum which is hereby attached and will be an integral part of this agreement.
4. **Property Description:** Buyer hereby offers to buy the property located in the ☐ City ☐ Village ☒ Township of LAKETOWN
ALLEGAN County, Michigan, commonly known as 2238 South Shore Dr St./Ave.,

with the following legal or tax description: _____

PP# 031132053000

Seller agrees to convey marketable title to the property including oil, gas and other mineral rights, subject only to existing zoning ordinances, and such building and use restrictions and easements as do not materially interfere with the current use of property.

The following paragraph applies only if the Premises include unplatted land:

Seller agrees to grant Buyer at closing the right to make (insert number) N/A divisions(s) under Section 108(2), (3), and (4) of the Michigan Land Division Act. (If no number is inserted, the right to make divisions under the sections referenced above stays with any remainder of the parent parcel retained by Seller. If a number is inserted, Seller retains all available divisions in excess of the number stated; however, Seller and/or REALTOR® do not warrant that the number of divisions stated is actually available.) If this sale will create a new division, Seller's obligations under this Agreement are contingent on Seller's receipt of municipal approval on or before N/A, of the proposed division to create the Premises.

5. **Price:** Buyer offers to buy the property for the sum of \$ 880,000.00
EIGHT HUNDRED EIGHTY THOUSAND
6. **Terms:** The Terms of Purchase will be as indicated by "X" below: (Other unmarked terms of purchase do not apply.) Buyer agrees that the REALTOR® may give Seller information about Buyer contained in a credit report which has been furnished to REALTOR® by any reporting agency, at Buyer's expense. In the event the Seller provides the Buyer with any portion of financing, information contained in a credit report will be provided at the Seller's written request within 72 hours of Seller's acceptance of this offer, at which time the Seller will have the right to cancel this Agreement within 48 hours of receipt of credit information.

SOURCE OF FUNDS TO CLOSE: Buyer represents that the funds necessary to close this transaction on the terms specified below are currently available to Buyer in cash or an equally liquid equivalent.

☐ CASH The full purchase price upon execution and delivery of Warranty Deed.

- ☒ **NEW MORTGAGE** The full purchase price upon execution and delivery of Warranty Deed, contingent upon Buyer's ability to obtain a CONVENTIONAL type 30 (year) mortgage in the amount of TBD % of the sale price bearing interest at a rate not to exceed TBD % per annum, on or before the date the sale is to be closed. Buyer agrees to apply for a mortgage loan within 10 days after this Agreement is fully executed, not to impair the Buyer's credit after the date hereof, and to accept such loan if offered. Should any part of the new mortgage be FHA/VA insured, ☐ Seller ☐ Buyer will agree to pay an amount not to exceed \$ _____, representing repairs required as a condition of financing. Exceptions:

☐ **SELLER FINANCING** (check one of the following): ☐ CONTRACT or ☐ PURCHASE MONEY MORTGAGE

\$ _____ upon execution and delivery of a _____ form (name or type of form and revision date), a copy of which is attached, wherein the balance of \$ _____ will be payable in monthly installments of \$ _____ or more including interest at _____ % per annum, interest to start on date of closing, and first payment to become due thirty (30) days after date of closing. The entire unpaid balance will become due and payable _____ months after closing. Exceptions:

☐ EQUITY (check one of the following): ☐ Formal Assumption or ☐ Informal Assumption

Upon execution and delivery of: ☐ Warranty Deed subject to existing mortgage OR ☐ Assignment of Vendee Interest in Land Contract, buyer to pay the difference (approximately \$ _____) between the purchase price above provided and the unpaid balance (approximately \$ _____) upon said mortgage or land contract, which Buyer agrees to assume and pay. Buyer agrees to reimburse Seller for accumulated funds held in escrow, if any, for payment of future taxes and insurance premiums, etc. Exceptions:

7. **Contingencies: The Buyer's obligation to consummate this transaction (check one):**

☒ **IS NOT CONTINGENT** - is not contingent upon the sale or exchange of any other property by Buyer.

☐ **IS CONTINGENT UPON CLOSING** - is contingent upon closing of a sale or exchange of Buyer's property located at:

_____ on or before _____

A copy of Buyer's agreement to sell or exchange that property is being delivered to Seller along with this offer.

☐ **IS CONTINGENT UPON THE SALE AND CLOSING** - is contingent upon the execution of a binding agreement and the closing of a sale or exchange of

Buyer's property located at _____

_____ on or before _____

Seller will have the right to continue to market Seller's property until Buyer enters into a binding agreement to sell or exchange Buyer's property and delivers a copy thereof to Seller. During such marketing period, Seller may enter into a binding contract for sale to another purchaser on such price and terms as the Seller deems appropriate, and in such event this Agreement will automatically terminate and Buyer's deposit will be promptly refunded. Exceptions:

8. **Fixtures and Improvements:** All improvements and appurtenances are included in the purchase price including, if now in or on the property, the following: all buildings; landscaping; lighting fixtures and their shades and bulbs; ceiling fans; drapery and curtain hardware; window shades and blinds; built-in kitchen appliances, including garbage disposal and drop-in ranges; wall to wall carpeting, if attached; all attached mirrors; all attached shelving; attached work benches; stationary laundry tubs; water softener (unless rented); water heater; incinerator; sump pump; water pump and pressure tank; heating and air conditioning equipment (window units excluded); attached humidifiers; heating units, including add-on wood stoves and wood stoves connected by flue pipe; fireplace screens, inserts, and grates; fireplace doors, if attached; liquid heating and cooking fuels in tank(s) at time of transfer of possession (tanks will not be empty unless now empty); liquid heating and cooking fuel tanks if owned by Seller; TV antenna and complete rotor equipment; satellite dish and necessary accessories and complete rotor equipment; all support equipment for inground pools; screens and storm windows and doors; awnings; basketball backboard and goal; mailbox; fences; detached storage buildings; underground sprinkling, including the pump; installed outdoor grills; all plantings and bulbs; garage door opener and control(s); and any and all items and fixtures permanently affixed to the property; and also includes:

ALL KITCHEN AND LAUNDRY APPLIANCES AND TV
IN FAMILY ROOM ON SECOND FLOOR

but does not include:

9. **Smoke Detectors:** The Seller will comply with the applicable smoke detector ordinance, if any.

10. **Certificate of Occupancy:** Seller will arrange and pay for a current certificate of occupancy, if required.

11. **Property Survey:** Survey will be paid for by ☒ Buyer ☐ Seller.

The survey will be (choose one):

☐ A boundary survey with iron corner stakes and with improvements and easements located on a map of survey.

☒ A surveyor's report or sketch (not a boundary survey) showing the approximate location of improvements.

Exceptions:

NONE

12. **Property Taxes:** Seller will be responsible for any taxes billed prior to those addressed below. Buyer will be responsible for all taxes billed after those addressed below.

☐ No proration. (Choose one):

☐ Buyer ☐ Seller will pay taxes billed summer _____ (year);

☐ Buyer ☐ Seller will pay taxes billed winter _____ (year);

☒ **Calendar Year Proration** (all taxes billed or to be billed in the year of the closing). Calendar year tax levies will be estimated, if necessary, using the taxable value and the millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying for January 1 to day of closing.

☐ **Fiscal Year Proration** - Taxes will be prorated as though they are paid in (choose one): ☐ advance ☐ arrears.

Fiscal Year will be assumed to cover a 12 month period from date billed, and taxes will be prorated to the date of closing. Fiscal year tax levies will be estimated, if necessary, using the taxable value and millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying to day of closing.

Exceptions:

2238 SOUTH SMITH DR

Subject Property Address/Description

8-21-04

Date

4:30 PM

Time

LP

PS

Buyer's Initials

PK

PK

Seller's Initials

13. Assessments (choose one):

- ☒ Seller will pay any existing assessments which are due and payable, or a lien or both, on the property on or before the date first written above.
- ☐ Buyer will assume or pay any assessment balance which remains after Seller pays for any assessment installments which are due and payable on or before the date first written above.

14. Title Insurance: A Standard ALTA Owner's Policy of Title Insurance in the amount of the purchase price will be furnished to Buyer at Seller's expense and a commitment to issue a policy insuring marketable title vested in Buyer, including a real estate tax status report, will be made available for Buyer's inspection prior to closing. Exceptions:

15. Well/Septic: Within ten (10) days after this Agreement is fully executed, the Seller will arrange and pay for an inspection and written report by a qualified inspector of the primary well used for human consumption (including a water test for coliform bacteria and nitrates) and septic system (including tank pumping, if required) in use on the property. If the evaluation report(s) in any of the above circumstances disclose(s) a condition which the Buyer deems unacceptable or that doesn't meet county standards where the county requires minimum standards as a condition of sale, Buyer shall notify the Seller or Listing Broker in writing, within five (5) days after the date Buyer has received the applicable report(s), of such condition and request corrective action. If Seller does not agree or fails to respond within fifteen (15) days of Buyer's requested corrective action, Buyer shall have the right to terminate this Agreement by providing written notice to Seller and/or Listing Broker within three (3) days from receipt of Seller's written refusal (if any) or from the expiration of the aforementioned fifteen (15) day period. Buyer agrees that the contingency provided by this paragraph shall be deemed to have been waived if (1) Buyer fails to provide written notice of a condition deemed unacceptable within five (5) days after Buyer has received the applicable report(s), or (2) Buyer fails to terminate this Agreement in writing as provided above. If these contingencies are waived or if Buyer elects to close this transaction, Buyer shall be deemed to have accepted the well and/or septic in its "as is" condition as of the date of closing. Exceptions:

N/A MUNICIPAL WTR & SWR

16. Inspections: By signing this Agreement, Buyer is representing that the Buyer is aware that inspection services of buildings and building components and systems are commercially available at a modest fee. Buyer has the right to inspect the buildings and building components and systems or have the buildings and building components and systems inspected by experts selected by the Buyer. The Buyer has elected to arrange and pay for the following inspections:

- ☒ No Inspections ☒ Plumbing ☒ Heating, Ventilation & Air Conditioning ☒ Electrical ☐ Structural, including roof ☒ Termites and other wood destroying insects ☐ Radon ☐ Other (specify):

NO INSPECTIONS EXCEPT PEST INSPECTION

All inspections will be completed within ten (10) days after Seller's acceptance of Buyer's offer or Buyer's acceptance of any counteroffer, as the case may be. If the inspection reports are not acceptable to Buyer, the Buyer may, within the above referenced period, by written notice to Seller, either terminate this Agreement or make a written proposal to Seller with respect to the unsatisfactory conditions described in the reports. If the Buyer fails to make a written proposal within the above referenced time period, then Buyer will be deemed to have accepted the results of the inspection reports without repairs or corrections and will proceed to closing according to the terms and conditions of this Agreement. Seller may negotiate with Buyer or, by written notice to Buyer, accept Buyer's proposal or terminate this Agreement. Failure of the Seller to respond or to arrive at a mutually agreeable resolution within three (3) days after Seller's receipt of Buyer's proposal shall result in a termination of this Agreement and a return of any applicable good-faith deposit.

Buyer agrees that Buyer is not relying on any representation or statement made by Seller or any real estate salesperson (whether intentionally or negligently) regarding any aspect of the premises or this sale transaction, except as may be expressly set forth in this Agreement, a written amendment to this Agreement, or a disclosure statement separately signed by the Seller. Accordingly, if Buyer chooses no inspection, fails to complete inspections, or submits no written proposals, Buyer agrees to accept the premises "as is" and "with all faults", except as otherwise expressly provided in the documents specified in the preceding sentence. Exception:

17. Home Protection Plan: Buyer and Seller have been informed that home protection plans may be available. Such plans may provide additional protection and benefit to the Parties.

18. Proration: Rent; association dues/fees, if any; insurance, if assigned; interest on any existing land contract, mortgage or lien assumed by Buyer; will all be adjusted to the date of closing.

19. Closing: If agreeable to both parties, the sale will be closed as soon as closing documents are ready, but not later than Nov 1, '04. An additional period of fifteen (15) days will be allowed for closing to accommodate the correction of title defects or survey problems which can be readily corrected, delays in obtaining any lender required inspections/repairs, or if the terms of purchase require participation of a lender and the lender has issued a commitment consistent with the requirement but is unable to participate in a closing on or before the required date. During this additional period, the closing will be held within 5 days after all parties have been notified that all necessary documents have been prepared. Buyer and Seller will each pay 1/2 the cost of any title company closing fee, if applicable, except in the case of VA financing where the Seller may be required to pay the entire closing fee. Exception:

20. Possession: Possession to be delivered to Buyer upon the completion of the closing of the sale, subject to right of present tenants, if any. Seller will have the privilege to occupy the property:

- ☒ until completion of the closing of the sale.

☐ until and including the _____ day after the completion of the closing of the sale, and hereby agrees to pay the Buyer \$ _____ as an occupancy fee for this period payable at closing, without proration. During the period of occupancy, the Seller agrees not to cause physical damage to the property.

If Seller fails to give occupancy to Buyer as provided, Seller will pay Buyer \$ _____ for each day that Seller retains the property beyond the agreed time and will be liable for all court costs and reasonable attorney fees incurred by Buyer in obtaining occupancy and collecting the amount due.

Seller will maintain the property in its present condition until the completion of the closing of the sale. At the time of transfer of occupancy, Seller will remove all personal property (unless otherwise stated in this or an additional written agreement), make arrangements for final payment on all utilities, and deliver all keys to Buyer. Exceptions:

2239 SOUTH SHORE DR

Subject Property Address/Description

AUG 21, '04

Date

4:30 PM

Time

LT

CS

Buyer's Initials

PRC

PAK

Seller's Initials

21. **Good-Faith Deposit:** For valuable consideration, Buyer gives REALTOR® above named until None (time) on 8-23-04, to obtain the written acceptance of this offer and agrees that this offer, when accepted by Seller, will constitute a binding agreement between Buyer and Seller and herewith deposits \$ 5,000.00 evidencing Buyer's good-faith, to be held by selling Broker, and to apply on the purchase price. If this offer is not accepted, the deposit will be refunded to Buyer. If the sale is not closed as provided in this Agreement, the Broker holding the deposit will notify Buyer and Seller, in writing, of Broker's intended disposition of the deposit. If the parties do not object to such disposition in writing within thirty (30) days after the date of Broker's notice, they will be deemed to have agreed to Broker's proposed disposition; if a party objects and no mutually agreeable disposition can be negotiated, Broker may deposit the funds by interpleader with a court of proper jurisdiction or await further actions by the parties. In the event of litigation involving the deposit, in whole or in part, either the Seller or the Buyer that is not the prevailing party, as determined by the court, will reimburse the other for reasonable attorneys' fees and expenses incurred in connection with the litigation, and will reimburse the Broker for any reasonable attorneys' fees and expenses incurred in connection with any interpleader action instituted.
22. **Professional Advice:** Broker hereby advises Buyer and Seller to seek legal, tax, environmental and other appropriate professional advice relating to this transaction. Broker does not make any representations or warranties with respect to the advisability of, or the legal effect of this transaction. Buyer further acknowledges that REALTOR® above named in the Agreement hereby recommends to Buyer that an attorney be retained by Buyer to pass upon the marketability of the title and to ascertain that the required details of the sale are adhered to before the transaction is consummated.
23. **Disclosure of Information:** Buyer and Seller acknowledge and agree that the price, terms, and other details with respect to this transaction are not confidential, will be disclosed to REALTORS® who participate in the applicable Multiple Listing Service, and may otherwise be used and/or published by that Multiple Listing Service in the ordinary course of its business.
24. **Other Provisions:**

25. **Fax:** The parties agree that any signed copy of this Agreement transmitted by facsimile shall be competent evidence of its contents to the same effect as an original signed copy. Each party agrees to provide an original signed document to the other upon request.
26. **Arbitration:** Any claim or demand of Buyer(s), Seller(s), Broker(s), or Agent(s), or any of them, arising out of the Purchase Agreement but limited to any dispute over the disposition of any earnest money deposits or arising out of or related to the physical condition of any property covered by the Purchase Agreement, including without limitation, claims of fraud, misrepresentation, warranty and negligence, will be settled in accordance with the rules, then in effect, adopted by the American Arbitration Association, and the Michigan Association of REALTORS®. This is a separate voluntary agreement, between the Buyer(s), Seller(s), and/or Broker(s). Failure to agree to arbitrate does not affect the validity of the Purchase Agreement. A judgment of any circuit court may be rendered upon the award or determinations made pursuant to this Agreement. This Agreement is specifically made subject to and incorporates the provisions of Michigan law governing arbitrations, MCL 600.5001; MSA 27A.5001, as amended, and the applicable court rules MCR 3.602, as amended. This Agreement is enforceable as to all parties and brokers/agents who have agreed to arbitrate as acknowledged by their signatures below. This Agreement will survive the closing.

Buyer/s ☐ agrees ☐ does not agree to participate in arbitration.

☐ Buyer/s Initials

Selling Broker ☐ agrees ☐ does not agree to participate in arbitration.

☐ Broker Initials

27. **Buyer's Acknowledgment:** Buyer hereby acknowledges receipt of a copy of this Agreement.

Witness [Signature] Phone _____

Buyer's Address 530 W SOUTH ST.

Kalamazoo, MI 49007

Buyer's Phone: (Res.) _____ (Bus.) _____

269-998-9300 KC 269-998-3134 LC

[Signature] Buyer
[Signature] Buyer
 Print name as you want it to appear on documents

Subject Property Address/Description

Date

Time

[Signature] Buyer's Initials

[Signature] Seller's Initials

DATE: 8-22-04 3:30 PM (time)

28. Seller's Acceptance: The Above Offer is Herby Accepted: ☐ As written, ☒ As written except:

- SEE ATTACHED - "ATTACHMENT 1" DATED 8-22-04

Counteroffer, if any, expires 8-23-04 at 5:00 PM (time). Seller has the right to withdraw this counteroffer and to accept other offers until Seller or Seller's Agent has received notice of Buyer's acceptance.

29. Certification of Previous Disclosure Statement: Seller certifies to Buyer that the property is currently in the same condition as Seller previously disclosed in Seller's Disclosure Statement dated: 6-20-03. Seller agrees to inform the Buyer in writing of any changes in the content of the disclosure statement prior to closing.

30. Notice to Seller: Seller agrees to pay the listing office of SUMMIT PROPERTIES, Broker, the brokerage fee specified in a listing agreement or other agreement between them. Unless otherwise previously agreed, Seller agrees that the brokerage fee may be shared by the recipient with any cooperating Broker who participates in the sale, in such amount as the recipient decides, without further disclosure to or consent from Seller. Exceptions:

Seller understands that consummation of the sale or transfer of the property described in this Agreement will not relieve the Seller of any liability that Seller may have under the mortgages to which the property is subject, unless otherwise agreed to by the lender or required by law or regulation.

31. Arbitration: Seller/s ☒ agrees ☐ does not agree to participate in arbitration as described in paragraph 25 above. ☐ Seller's Initials
Listing Broker ☒ agrees ☐ does not agree to participate in arbitration as described in paragraph 25 above. ☐ Listing Broker Initials

32. Seller's Acknowledgment: Seller has read this Agreement and acknowledges receipt of a copy.

Witness [Signature] Phone 616-335-8885 x [Signature] Seller
Seller's Address 2238 SOUTH SHORE DR PAUL J. KELLEY
P.O. BOX 110, MACATAWA MI 49431 PAUL A. KELLEY
Seller's Phone: (Res.) 616-335-8885 (Bus.) 269-982-7280 TATIANA A. KELLEY

DATE: 8-22-04 7:00 PM (time)

33. Buyer's Receipt/Acceptance: Receipt is hereby acknowledged by Buyer of Seller's acceptance of Buyer's offer. In the event the acceptance was subject to certain changes from Buyer's offer, Buyer agrees to accept said changes, all other terms and conditions remaining unchanged.

Witness [Signature] Phone _____ x [Signature] Buyer
x Christine Skendis Buyer

DATE: _____ (time)

34. Seller's Receipt: Seller acknowledges receipt of Buyer's acceptance of counter offer.

x _____ Seller

Witness _____ Phone _____ x _____ Seller

2238 SOUTH SHORE DR 8-22-04 7:00 PM
Subject Property Address/Description Date Time

08/22/2004 19:08

6163945837

SUMMIT PROPERTIES

PAGE 03 P.1

PAUL J. KELLEY
22328 South Shore Drive
P. O. Box 160
Macatawa MI 49434
616-335-8885
Fax 616-335-8887
Mobile 269-921-9280
e-mail pikpak@hotmail.com

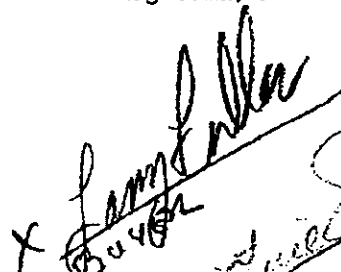
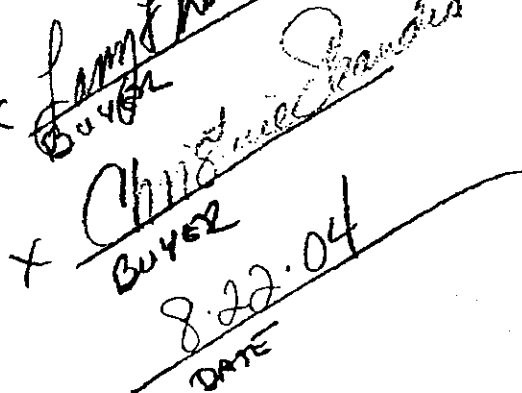
8/22/2004

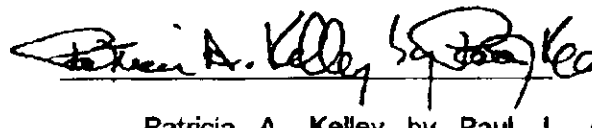
Attachment "1" to West Michigan Regional Purchase Agreement of 8-21-04 for
2238 South Shore Drive, Macatawa MI 49434.

1. Sale price to be \$905,000.00.
2. The financing requirement of paragraph 6 as to a new mortgage shall be satisfied or removed on or before 9-10-04. After this date an unconditional contract shall exist between the parties.
3. Upon 9-10-04 the contract shall be complete and without exceptions.
4. Pest inspection on or before 9-10-04. Seller discloses that monthly spider and pest control has been used at the subject property.
5. This sale and the contract for sale is subject to the approval of the Western District of Michigan United States Bankruptcy Court for the Chapter 11 proceedings of Paul J. Kelley and Patricia A. Kelley, #03-4293. Such proceedings may be by Section 363 sale or by Court Order.
6. The signature of Patricia Kelley is based upon phone authorization to Paul J. Kelley of 8-22-04. Her actual signature shall be provided to these documents on or before 9-10-04.

August 22, 2004


Paul J. Kelley

X 
BUYER
X 
BUYER
8.22.04
DATE


Patricia A. Kelley by Paul J.
Kelley per phone authorization of 8-22-
04.